

EXHIBIT 1

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April 26, 2019

John Austin, Esquire
John Henson, Esquire
United States Department of the Interior –
Office of the Solicitor
800 S. Gay Street, Suite 800
Knoxville, TN 37929

Re: Justice Companies
Outstanding OSM Assessments

Dear Messrs. Austin and Henson –

I write in follow-up to our meeting in Knoxville, Tennessee, on April 8, 2019. We appreciate you and Messrs. Castle, Snyder and Winter taking time to meet with us. During the meeting, we discussed the outstanding OSM assessments which you have indicated are being considered for future civil collection actions. We expressed our desire and willingness to resolve these matters without litigation. We expressed to you that the financial condition of the companies prevents them from paying the total amounts owed to OSM in a lump sum and immediately correcting the outstanding, cited conditions.

We understand that there are three broad outstanding issues that must be resolved. First, there are outstanding AML and special reclamation fees. Based on the information you provided to us prior to the meeting, we understand that some of the outstanding total represents special reclamation and AML fees. Second, we understand that the OSM has assessed penalties against the companies associated with notices of violation and cessation orders. We also understand that the OSM has proposed individual penalties in connection with these issuances. Finally, we understand that there are outstanding issues on several of the permitted areas wherein cited condition remain uncorrected.

Despite the fact that we cannot correct all of these issues with a lump sum payment, it is our intent to resolve these issues with the OSM and set forth the following formal proposal, which we verbally conveyed to you during our meeting. We anticipate that, once we agree to all the terms, the agreement will be memorialized in the framework of a Consent Decree. We specifically propose the following:

1. The companies will pay all outstanding AML and special reclamation fees in full in equal monthly installments over the next twelve months; starting May 1, 2019.
2. As we explained to you, the companies are unable to pay the full amount in penalties that the OSM contends are outstanding. A judgment against the companies in this amount would almost certainly result in a reorganization or liquidation. In that event, the public would bear the brunt of the reclamation costs and more than 450 jobs would be lost. We know the government's interest in collecting penalties does not outweigh the burden that would be placed on the public and the working families that earn their living working for the Justice companies in the event of a bankruptcy. Therefore, we propose that, in lieu of paying a back-breaking penalty, that the Justice Companies would agree to pay a \$250K penalty paid equally across 12 months and agree to complete outstanding reclamation in a dollar for dollar trade-off which would serve as credit against penalties owed greater than the \$250K payment. We think this allows the Justice Companies to continue operations with gainful employment and complete all reclamation issues.
3. The companies will correct all the conditions in the field by October 15, 2019, weather permitting, and subject to engineered solutions to the more technically completed correction plans. The companies will dedicate a spread of equipment to the areas which need attention and will work with OSM to identify those areas. Since our meeting, Tom Lusk has been in the field with OSM representatives working on these issues. Other than specified above, there is no contingency to the companies' agreement to correcting the conditions.

We look forward to your response and will provide you additional information from the companies you need to consider this proposal.

Sincerely,



Michael W. Carey

cc: Mike Castle
Tom Lusk
James C. Justice, III